

218.21L78/2.931 ✓
U. S. DEPARTMENT OF COMMERCE
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ANALYZING
STATISTICS OF FOREIGN TRADE
IN LEATHER

IMPORTANCE OF SHIPPER'S EXPORT
DECLARATION



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HIDE AND LEATHER DIVISION



UNITED STATES
GOVERNMENT PRINTING OFFICE
WASHINGTON : 1931

FOREWORD

As market studies are essential to the planning of foreign sales campaigns, it would be of great advantage to tanners in the United States if they could be provided with accurate statistics showing the destination to which American leather of the type or types which they produce has been shipped. Not only would this information be extremely valuable in planning sales campaigns, but it would also be of material assistance in increasing foreign shipments. The Department of Commerce has been striving for many years to gather and distribute statistics of this kind in such manner as would render them explicit, dependable, and timely; but the published information has often been criticized. Therefore, it is the aim of this bulletin to explain to tanners and other leather exporters how inaccuracies occur and how they can be avoided. By carefully studying and observing the requirements in this pamphlet and by using the extract from Export Schedule B contained herein, the statistics of leather exports can be made more valuable by being made more complete and reliable. This subject merits the attention and cooperation of everyone interested in the foreign markets for leather.

It is urged that all shippers of leather study this bulletin and place it in the hands of the appropriate officials and clerks for their use and guidance in making out declarations of export shipments.

WILLIAM L. COOPER, *Director,*
Bureau of Foreign and Domestic Commerce.

JANUARY, 1931.

ANALYZING STATISTICS OF FOREIGN TRADE IN LEATHER

INTRODUCTION

Tanners frequently report to this bureau that they derive a great deal of valuable information from the export statistics regularly published, but they complain that in some instances the value of these statistics is impaired through occasional discrepancies obvious to members of the trade. Careful studies in connection with the problem of providing more dependable statistics reveal that in some instances such errors arise from faulty descriptions in the export declarations filed by shippers at the customhouses at the ports of exportation; consequently it is necessary to enlist the cooperation of our leather exporters if the leather statistics are to be made more dependable.

The Government statisticians can merely compile the figures provided by exporters. Therefore it is incumbent upon shippers to see that the export declarations contain true descriptions of the leather involved. For this reason it is suggested that tanners themselves fill out these forms in their own offices, since they are familiar with the leather, instead of delegating the task to export houses or to freight forwarders. This important work should not be left to inexperienced clerks who have an inadequate knowledge of the kinds of leather described and who have no conception of the importance of the figures. Supervision on the part of the export manager, or other person in the tanner's organization vitally interested in the data, would undoubtedly be beneficial.

According to special investigations which have been made to ascertain how discrepancies creep into the official statistics, it has been shown that the Government's statistical offices are absolutely dependent upon the exporters, since the statistics are compiled from shippers' export declarations, which accompany all outbound shipments. At all of the important customhouses these declarations are received in such large numbers as to make it impracticable for the customs authorities to verify the accuracy of each item; therefore if the export declaration is inaccurate, the Government figures based thereon will necessarily be inaccurate also. As a result, carelessness on the part of some exporters deprives all others of accurate statistical information for use in the solution of their foreign-sales problems. The practice of certain tanners in delegating the preparation of the declaration to freight forwarders, export merchants, or others, who turn the task over to subordinate clerks having no accurate information regarding the commodity involved, is one of the ways in which inaccuracies creep into these export declarations. For the sake of accuracy it is most desirable that all manufacturers

producing leather for export take special pains to have these export declarations prepared in their own offices by competent persons having adequate personal knowledge of the commodities shipped. This bulletin should serve to answer most of the questions which will arise.

IMPORTANCE OF EXPORT DECLARATIONS

Tanners interested in foreign sales are urged to bear in mind that these export declarations are not a mere formality introduced by the Government in connection with the clearance of shipments through the customs, but are the means, and the only means, whereby the trading public can secure statistical information of real value to export managers. Care should be taken to have this form show in the column headed "Class No., Schedule B," the number of the particular export classification under which the leather involved falls. When in doubt about the class number of a particular shipment, the extract from "Schedule B" in the back of this pamphlet should be referred to. The proper filling in of the class number will expedite clearance at the customhouse and will prevent the return of the declaration for correction or for the answer of inquiries about items of doubtful accuracy. The authorities require that the declaration be typewritten or prepared in ink; pencil notations are not acceptable.

PREPARING THE EXPORT DECLARATION BLANKS

The accompanying reproduction of a shipper's export declaration form, with sample entries, will show the complete and exact manner in which that form should be filled out.

In the third column of the form, under "Description," the articles exported should be listed in detail, as "Black calf upper leather," "Colored calf upper leather," "Patent side upper leather," and "Cut soles." General terms, such as "Upper leather," "Patent leather," or "Sole leather," should be avoided.

In order to fill out the fourth column with the appropriate Schedule B class number, turn to the alphabetical index of leathers in the back of this bulletin, where, opposite each class of leather, will be found the correct number and also the unit of quantity in which the volume of exports should be stated in the fifth column of the form. The value (in whole dollars—no cents) must also be entered in the proper column.

It should be borne in mind that the export declaration is solely for the use of customs officials of the United States. It is treated as strictly confidential and is not revealed to persons in this country or abroad, whether official or private, except to those American authorities who need the data for the compilation of statistics.

TYPES OF LEATHER

The appended list of various types of leather entering into export trade has been prepared for the use of tanners and other shippers of leather and for officials of the Customs Service. As the need arises these are changed and other types are included, so that when sta-

tistics are published they can be as detailed and as complete as possible. Its use to exporters should be, first, to show the proper method of declaring shipments of various types of leather on the export declaration blanks; and, second, to show what types of leather are included in particular classes of the export statistics compiled and published by the Bureau of Foreign and Domestic Commerce. For officials of the Customs Service it serves as a guidebook, giving the number of the class in which each particular type of leather exported from the United States should be included. This list is intended to cover the principal types of leather produced in the United States which enter into the country's export trade.

NEW CLASSES OF EXPORT STATISTICS FOR 1931

In the schedule for 1931 there has been a complete change in the numbers classifying the exports of various types of leather. For this reason exporters should take special pains in filling out the export declarations, as by using the old classification numbers the statistics for leather exports will not be correct and therefore will not be comparable with statistics for previous years. Only by co-operating to the fullest extent can the leather exporters hope to have detailed statistics which will be of material benefit to them when studying sales made to foreign markets.

POSTAL EXPORT DECLARATIONS

Export shipments of leather are occasionally forwarded by parcel post; since 1924 mail shipments valued at \$25 or more must be reported. This regulation has been of considerable assistance as prior to 1924 important shipments of leather were made to foreign countries via parcel post, which shipments were not included in the statistics. During 1930 the total value of all leather so sent to foreign countries was estimated at more than \$1,500,000. The returns for export shipments sent by parcel post should be made out on postal export declaration forms, which are similar to the shipper's export declaration blank.

COMPLAINTS AS TO INACCURACIES IN STATISTICS

The Bureau of Foreign and Domestic Commerce receives many complaints as to the inaccuracies of the statistics issued. The following is an example, this complaint recently having been made to the hide and leather division of the bureau:

In your table recently issued, showing the exports of leather from the United States during November, 1930, we have noted that according to your official figures on the exports of patent side upper to Greece only 50,197 square feet left this country for that destination during the month mentioned. We wish to advise you that during the same month this firm alone sold more than 52,500 square feet of patent side upper leather to Greek customers.

A careful investigation showed that part of the shipments made by that firm went to an agent in Istanbul to be forwarded to customers in Greece. The firm's export declaration showed Turkey as the ultimate foreign destination of the leather, so naturally the statistics compiled from that declaration credited the shipments as going to Turkey.

There are many distributing centers in various parts of the world to which American tanners consign leather and from which it is reshipped to the territory covered by that city or port. A good example is the city of Copenhagen, through which many American leather producers market their product in the Scandinavian countries and the Baltic States.

Another complaint recently received from a large producer of calf upper leather stated that the official statistics of exports to a certain country were incorrect, inasmuch as that firm's shipments alone amounted to 1,000 square feet more than shown by figures issued by the Department of Commerce. This case was also carefully investigated, and it was discovered that some of the firm's export declarations were incorrectly made out, and that considerable quantities of calf upper leather exported were included in the miscellaneous class "Other upper" leather, the class number for which is 0311.

SUGGESTIONS TO EXPORTERS

In each case, when making out a shipper's export declaration, the shipper should determine the proper class under which each item of merchandise falls and should enter the number in the column headed "Class No." This is of vital importance.

The value stated on the shipper's export declaration should be the actual selling price, if the goods are sold. If shipped on consignment, without a sale having been made, the market value at the time of exportation at the port of the United States from which exported should be stated. Value should not include ocean freight, marine insurance, etc., from the port of departure in the United States. Quantities and values should be stated in whole numbers only, ignoring fractions of less than one-half, and counting one-half or over as a unit.

If the country of ultimate destination is different from that for which the vessel or car departs, the export declaration should state as the country of ultimate destination the country to which the leather is to be sold. Special care should be taken to state the final destination of goods shipped through Canada to Europe and of goods to be transshipped in the United Kingdom, the Netherlands, Germany, France, etc., to other countries.

CLASSIFICATION OF LEATHER FOR EXPORT

Appearing on the following page is an extract from Export Schedule B (effective January 1, 1931), which applies especially to leather. This is a complete list of the classifications for leather exports, and it should be of great value in aiding shippers to fill in the declarations, by enabling them to enter their shipments under the proper class number and to designate them by the proper quantity units.



| Class No. | Commodity | Unit of quantity |
|-----------|--|------------------|
| | Upper leather (except patent): | |
| | Cattle, side upper— | |
| | Grain— | |
| 0300 | Black----- | Sq. ft. |
| 0301 | Other----- | Sq. ft. |
| 0302 | Finished splits----- | Sq. ft. |
| 0303 | Wax and rough splits----- | Lb. |
| | Calf and kip— | |
| 0304 | Black grain----- | Sq. ft. |
| 0305 | Other grain----- | Sq. ft. |
| 0306 | Suède----- | Sq. ft. |
| 0307 | Sheep and lamb----- | Sq. ft. |
| | Goat and kid upper leather (include glazed kid)— | |
| 0308 | Black----- | Sq. ft. |
| 0309 | Other----- | Sq. ft. |
| 0310 | Horse and colt----- | Sq. ft. |
| 0311 | Other upper leather n. e. s.----- | Sq. ft. |
| | Patent upper leather: | |
| 0312 | Patent side upper leather (include kip)----- | Sq. ft. |
| 0313 | Goat and kid----- | Sq. ft. |
| 0314 | Horse and colt----- | Sq. ft. |
| 0319 | Other----- | Sq. ft. |
| | Sole leather: | |
| 0324 | Bends, backs, and sides----- | Lb. |
| 0326 | Other (including offal)----- | Lb. |
| 0329 | Cut soles----- | Lb. |
| | Glove leather: | |
| 0331 | Sheep and lamb----- | Sq. ft. |
| 0339 | Other glove leather----- | Sq. ft. |
| 0351 | Harness, collar, and saddlery leather----- | Lb. |
| 0353 | Upholstery and automobile leather----- | Sq. ft. |
| 0355 | Fancy leather----- | Sq. ft. |
| 0356 | Case, bag, and strap leather----- | Sq. ft. |
| 0357 | Reptilian leather----- | Lb. |
| 0359 | Other leather and tanned skins----- | Lb. |